

A Monthly Progress Report on the Michigan Department of Labor & Economic Growth



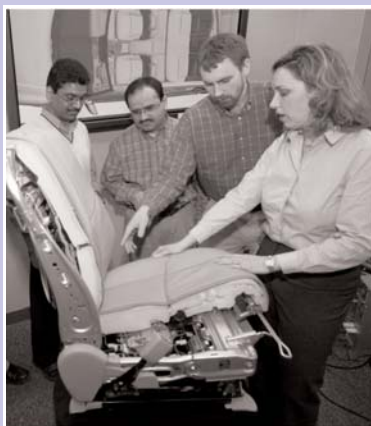
Labor & Economic Briefing

David C. Hollister, Director

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Here is a summary of headlining accomplishments from the last month:



When it comes to R&D, we look to MI.

This is chosen to announce a \$150 million investment to expand our Toyota Technical Center (TTC) operations in Michigan, which we first established in 1977. The expanded facility will become a major hub in Toyota's global R&D network, creating 400 new full-time jobs. This will bring the total number of jobs at TTC to 1,100, adding to the thousands we've already created in Michigan along with our dealers and suppliers. Our thanks to the state of Michigan for supporting us and making Michigan the perfect place to expand our North American engineering, development and research operations.

www.toyota.com/MI

TOYOTA

Toyota ran full page ads on April 20th in *The New York Times*, *Washington Post*, *USA Today*, *Ann Arbor News*, *Detroit Free Press*, *Detroit News*, *Oakland Press*, and *Grand Rapids Press*. The ad states: When it comes to R&D, we look to MI. We're pleased to announce a \$150 million investment to expand our Toyota Technical Center (TTC) operations in Michigan, which we first established in 1977. This expanded facility will become a major hub in Toyota's global R&D network, creating 400 new full-time jobs. This will bring the total number of jobs at TTC to 1,100, adding to the thousands we've already created in Michigan along with our dealers and suppliers. Our thanks to the state of Michigan for supporting us and making Michigan the perfect place to expand our North American engineering, development and research operations.

Creating & Retaining Michigan Jobs

Granholm: Toyota to Invest \$150 Million, Create 677 Jobs in Michigan:

Governor Jennifer M. Granholm joined state, local, and company leaders in Ann Arbor on Apr. 12 to announce that Tokyo-based Toyota Motor Corporation plans to invest \$150 million in a new, state-of-the-art R&D facility in York Township. The much-anticipated project is expected to create more than 670 Michigan jobs, including 400 directly by the company. The Granholm administration put together an incentive package valued at more than \$38.9 million to win the project, and worked with state lawmakers to convey more than 600 acres of state land to bring the automaker's investment and jobs to Michigan. Toyota Technical Center U.S.A., Inc. was established in 1977 and has its headquarters in Ann Arbor. Just last year Toyota completed work on a new design research studio next to the tech center. The automaker currently has 505 Michigan employees. A University of Michigan economic analysis estimates that 277 indirect Michigan jobs will be created as a result of increased economic activity associated with the expansion, in addition to the 400 jobs retained directly by the company. The project is expected to generate more than \$1.2 billion in personal income for Michigan workers over the life of the tax credit. TTC is just one of several major auto industry investments for Michigan announced over the past several months, including DaimlerChrysler, General Motors, Nissan, and Detroit Diesel. These five projects alone will generate more than \$1.2 billion in investment and create and retain an estimated 27,000 Michigan jobs.



**Governor
Jennifer M.
Granholm**

Governor Announces \$249,000 to Attract New Jobs and Development to Watervliet:

The Governor on Apr. 13 announced \$249,000 in community development funding for the city of Watervliet that will lead to the creation of 15 new jobs and more than \$5.7 million in private investment. The Community Development Block Grants being made available by the Michigan Economic Development Corporation will support a downtown improvement project and assist with the expansion of the Brookfield Dodge auto dealership. A \$174,000 grant will be used to redevelop the Judd Lumber Yard on Main Street, which had been destroyed by fire. The site will be redeveloped into a mixed-use building. Additional property upgrades will include a publicly-owned parking lot, sidewalks, lighting and fencing to keep pedestrians away from the nearby railway. The developer, Dale R. McBride, will invest more than \$5.6 million in the project. The city and the Watervliet DDA will provide an additional \$19,400 for engineering costs. The project is expected to create nine new jobs. Watervliet will also use a \$75,000 grant to assist Brookfield Dodge with its expansion plans. The project includes relocating several power line poles located at the dealership, extending downtown lights and enhancing landscaping around the site. Brookfield will invest \$50,000 in the expansion. The city and the DDA will provide an additional \$10,000 for engineering and administrative costs. The project is expected to create five new jobs.

DLEG Holds MI Opportunity Partnership Meeting: DLEG held a meeting on April 20th with 30 key partners in the MI Opportunity Partnership (<http://www.michigan.gov/jobstoday>) -- the Governor's Jobs Today effort aimed at connecting 30,000 unemployed workers to jobs and contacting 35,000 employers to identify immediate job openings. Frank Lopez from Aztec Manufacturing was so excited he asked if he could use the sample pledge card and be the first employer to pledge jobs. Governor Granholm announced the MI Opportunity Partnership as a key component of the Jobs Today, Jobs Tomorrow plan in her 2005 State of the State address. The MI Opportunity Partnership will retool job training programs and place unemployed workers into high-demand career fields such as health care and the skilled trades. The Granholm Administration will blend available federal, state and local dollars in this streamlined, outcomes-based initiative. Partners who are pledging jobs and support include employers from business and industry (regardless of size), health care and the skilled trades, associations, organized labor, community colleges and universities, the Michigan Works! System and Michigan's Regional Skills Alliances. MI Opportunity will coordinate an accelerated strategy among its partners to provide training and new job opportunities particularly in health care and the skilled trades. Stay tuned for more information about this Working for Jobs Today! pledge drive in the next couple of weeks.



DLEG Director David C. Hollister shakes hands with Frank Lopez from Aztec Manufacturing who was the first employer to pledge jobs in the MI Opportunity Partnership, which matches unemployed workers to jobs.

Michigan Mounts Campaign to Win Airbus Research and Manufacturing Complex: Michigan is competing with as many as 38 states to attract a new engineering and manufacturing complex to design and produce the KC-330 aerial refueling aircraft for Airbus, Governor Granholm announced on March 30. The MEDC presented a proposal for the multi-phase project, which could bring more than 1,000 jobs and \$600 million in investment to Michigan. EADS North America, parent company of Airbus, recently invited all 50 states to recommend sites for the proposed development. The State's proposal suggests three potential Michigan locations could meet Airbus' criteria: Alpena, Chippewa County/Sault Ste. Marie, and Willow Run. Business incentives will be available to the company at whatever Michigan location it chooses, with specific incentives varying due to the unique characteristics of each site.

Asahi R&D Opens New Facility in Ypsilanti; First Use of High-Tech Tax Incentive: On March 29, Governor Granholm congratulated Automotive Americas R&D Inc. and its parent, Tokyo-based Asahi Glass Company (AGC), the world's largest maker of automotive glass, on the completion of its new, high-tech facility expansion in Ypsilanti. Both the expansion and the original facility were made possible by the use of a high-tech tax credit from the MEDC that encourages companies to make major R&D investments in Michigan leading to creation of high-paying jobs. AGC is the first company to utilize this high-tech tax credit incentive. In 2000, Asahi considered two competing locations for the state-of-the-art facility. The MEDC offered a \$3 million SBT credit to encourage the company to build in Ypsilanti instead of Richmond, Kentucky. The tax credit was made possible by an amendment to the Michigan Economic Growth Authority Act (MEGA) that allows the MEDC to offer SBT credits to companies making large capital investments in high-tech research, development, and manufacturing. AGC has invested approximately \$11 million in the Ypsilanti facility.

Granholm and DCX Announce Retention of More Than 20,000 Jobs in Sterling Heights: Governor Granholm joined company, labor, and government officials on March 22 to announce DaimlerChrysler's plans to invest more than \$506 million to retool and upgrade stamping and assembly operations in Sterling Heights. The project will retain a total of 20,782 jobs, including 5,123 directly by the company. An incentive package offered by the Michigan Economic Development Corporation (MEDC) consisting of a Single Business Tax (SBT) credit worth about \$18.8 million and \$500,000 in Economic Development Job Training (EDJT) grants helped convince the automaker to reinvest in Michigan instead of competing sites in North America. In addition, Sterling Heights approved abatement of the company's new personal property taxes valued at more than \$17.8 million. DCX, headquartered in Auburn Hills, employs more than 362,000 worldwide, including 37,360 in Michigan.

State-Of-The-Art Training Will Help Retain 140 ZF Lemforder Employees: Governor Granholm announced \$45,000 in Economic Development Job Training funds to help retain 140 workers at ZF Lemforder in Lapeer. The grant, provided by the MEDC, will help 60 current and 80 new workers receive specialized training in lean manufacturing, blueprint reading and other high-tech processes. ZF Lemforder has chosen the Tuscola Intermediate School District to provide the training. Under the requirements of the program, the company will provide a minimum 25 percent funding match. Since 1994, more than \$260 million in EDJT grants have helped over half a million Michigan workers improve their skills and enhance the competitiveness of their employers. ZF Lemforder is the car chassis division of ZF Friedrichshafen AG, a leading global supplier of driveline and chassis technology. Headquartered in Friedrichshafen, Germany, ZF is among the 15 largest automotive suppliers in the world. In 2003, the company announced it would expand its Lapeer operation thanks to a single business tax credit offered through the MEDC worth \$1.1 million over the next 10 years.

BorgWarner Opens New HQ in Auburn Hills: Leading global powertrain supplier BorgWarner announced that it has opened its new worldwide headquarters in Auburn Hills. The \$4 billion automotive supplier announced in September 2003 that it would relocate its corporate headquarters from Chicago as a result of an incentive package approved by the MEDC. The new facility houses 80 corporate employees. Chairman and CEO Tim Manganello said the move to metro Detroit has already yielded significant benefits, including closer connections with global customers and suppliers, opportunities for increased collaboration with 475 employees at its Powertrain Technical Center, also in Auburn Hills, and enhanced industry visibility.

Governor's Jobs Today Initiative to Create Jobs, Affordable Housing in Michigan: The Michigan State Housing Development Authority (MSHDA) will help create 8,000 jobs and hundreds of affordable housing units as part of Governor Jennifer M. Granholm's Jobs Today Initiative. "Our Jobs Today Initiative is making an unprecedented investment in Michigan's economic future," Governor Granholm said. "Today we are putting our resources to work, and with the help of MSHDA, we are getting the jumpstart we need to put workers on the job and paychecks in their pockets." MSHDA is accelerating federal tax credits to for-profit and nonprofit developers, and implementing legislation signed by Governor Granholm allowing the Authority to finance a greater number of low-interest, single-family mortgages. "Through the Jobs Today Initiative, we will create thousands of jobs and hundreds of new, affordable housing units for families and seniors across the state," said Michael R. DeVos, MSHDA executive director. "As part of the Jobs Today Initiative, we will leverage an additional \$518 million to get construction on these units underway ahead of schedule, and put people to work sooner." Over the next year, MSHDA will accelerate 50 percent of its 2006 federal Low Income Housing Tax Credits (LIHTC) awarded to developers who submit successful applications under the LIHTC Qualified Allocation Plan. This amounts to over \$80 million for the development and construction of affordable living units across Michigan, creating much needed housing and jobs. Public Act 549 of 2004 (HB 6077), signed by Granholm, dramatically increased the income and purchase price limits in MSHDA's single-family programs. This has allowed MSHDA to double the number of single-family loans they finance, tripling the total mortgage amount. Many of these loans are for the construction of new homes, which will help generate additional jobs in Michigan. MSHDA is a state governmental agency that provides financial and technical assistance through public and private partnerships to create and preserve decent, affordable housing for low- and moderate-income Michigan residents. MSHDA's loans and operating expenses are financed through the sale of tax-exempt and taxable bonds and notes to private investors, not from state tax revenues. First announced in the Governor's 2005 State of the State Address, the Jobs Today Initiative will create jobs in seven key areas, including affordable housing construction and renovation; school improvement and repair; pollution cleanup; road improvements; long-term care facility construction and renovation; downtown development; and university campus improvements. "Jobs must be the first order of business for everyone in Michigan today," Granholm said. "We can help families have a place to call home while we put people back to work."

Granholm Announces 7,120 Jobs Secured as Result of Company Expansions: Governor Granholm on Mar. 15 announced 13 economic development projects that are expected to create and retain a total of 7,120 Michigan jobs, including 3,196 directly by company expansions and redevelopments. The projects, resulting from assistance offered by the MEDC, are also expected to generate more than \$558 million in private investment. It was largest number of economic development projects the Governor has announced in one day since taking office.

Company Expansions:

- Assay Designs Inc. plans to invest \$18 million to expand its operations in Pittsfield Township, resulting in the creation of 238 new jobs including 86 directly by the company. A state Single Business Tax credit valued at more than \$765,000 helped convince the Ann Arbor-based company to expand in Michigan instead of a competing location in Ohio. Assay Designs manufactures and markets specialized products including detection kits and recombinant proteins and antibodies for use by pharmaceutical companies and researchers to investigate the mechanisms of disease. Pittsfield Township has approved tax abatements valued at approximately \$632,000 to support the project.
- Faurecia, a leading Tier One global auto supplier, will invest approximately \$40 million to expand in Sterling Heights over a competing site in Ohio. The project is expected to create 942 jobs, including 448 directly by the France-based company. An SBT credit valued at more than \$6.3 million helped convince the auto interior component manufacturer to stay and grow in Michigan. The city of Sterling Heights is considering a local tax abatement valued at approximately \$4.2 million over 12 years to support the project.
- Kennedy Acquisition Inc. d/b/a Emerald Graphics Corp. plans a two-phase, \$9 million expansion at sites in Cascade Township and Kentwood. The project is expected to create 719 jobs, including 347 directly by the company. An SBT credit valued at more than \$3.1 million helped convince the Kentwood-based manufacturer of plastic molded and painted products to expand in Michigan instead of at a competing location in Texas. Cascade Township and the city of Kentwood are considering local tax abatements totaling more than \$202,000 to support the project.
- SBC Michigan plans to consolidate operations at its existing facilities in Detroit and Southfield, retaining up to 2,140 jobs including 930 directly by the company. An SBT credit valued at more than \$18 million convinced the company to invest \$3.7 million to upgrade seven of its existing Michigan network centers as opposed to moving them to competing locations outside the state.

Brownfield Redevelopments:

- Alpena Marc LLC will use tax capture valued at more than \$765,000 to help renovate a portion of the former Fletcher Paper Mill complex in Alpena into the National Oceanic and Atmospheric Administration offices and marine operations center. The existing structure will be redeveloped into offices, research facilities, an interactive museum and residential quarters for visiting scientists and marine biologists. The museum is expected to attract 80,000 visitors annually. Alpena Marc will invest approximately \$4 million in the project, which is expected to create and retain seven jobs.
- Delphi Automotive Systems LLC plans to revamp its Saginaw Steering facility in Buena Vista Township as a result of a tax credit worth up to \$9.9 million. The outdated facility will be transformed into a competitive site for new, high-tech manufacturing opportunities with \$99 million in private investment. Delphi Automotive Systems, a component of Delphi, a worldwide leader in mobile electronics and transportation components, will use the tax credit to invest \$89.9 million in new machines and equipment and \$10 million to make renovations to the functionally obsolete building. The investments will help enhance the overall viability of the Saginaw Steering location and enhance future job retention.

- Detroit Diesel Corporation and the Freightliner LLC Group plan to invest more than \$275 million to transform the 65-year-old Redford Township plant into a "manufacturing mall" to produce a range of commercial vehicle components for the North American market. The company was awarded more than \$13 million in brownfield incentives to remove obsolete buildings and utilities in preparation for the multi-phased redevelopment. In February, an incentive package including an SBT credit valued at approximately \$9.1 million as well as \$143,000 in Economic Development Job Training funding was offered to convince the company to expand in Michigan over a competing site in South Carolina. The entire project is expected to create and retain a total of 2,928 Michigan jobs.
- East Village LLC will use tax capture valued at \$196,420 to prepare 25 parcels of blighted property for the construction of 23 new homes and the renovation of one home in southeast Detroit. The project is part of a larger effort spearheaded by the Jefferson Avenue Housing Development Corporation to revitalize a 23-block area bounded by Kercheval to the north and Jefferson Avenue to the south. The total investment in the project is approximately \$6.3 million.
- Parkland Investments Inc. will use a \$1 million brownfield SBT credit and state and local tax capture valued at more than \$1 million to redevelop the former West Middle School in the heart of downtown Grand Rapids into housing and commercial space. The developer will invest more than \$12.5 million to renovate and restore the approximately 200,000-square-foot building located at 615 Turner NW into 130 condominium units with the possibility of additional commercial uses. The city of Grand Rapids has approved local tax capture valued at more than \$618,000 to support the project.
- Homestead Construction will use tax capture valued at \$271,925 to demolish the former Clark School and build a Victorian-style residential development with 30 new houses. The homes will be sold at market rate to spur development in the area and are expected to generate business for the commercial establishments along Eight Mile. The developer will invest approximately \$5.1 million in the project.
- United Building LLC in partnership with the city of Kalamazoo, Downtown Kalamazoo Inc. and Downtown Tomorrow Inc. will use tax capture valued at \$70,000 to redevelop a three-block area in the city's northeast business district. The project includes redeveloping the historic United Electric Building on East Kalamazoo Avenue into office, restaurant and entertainment space. The developer will invest approximately \$4.3 million in the project, which is expected to create 50 new jobs.
- Developers Eastowne One, Eastowne Two and Eastowne Three LLC will utilize tax capture valued at more than \$2 million to redevelop a former landfill site into residential, professional office and mixed retail use. Tenants using the retail space will include a sports medicine center, a home design center and a restaurant. In addition, approximately 86 residential units will be constructed. This project also received approval for a brownfield Single Business Tax credit from the MEDC valued at \$4.1 million in December 2004. The developers will invest approximately \$41 million in the project, which is expected to create 96 new jobs.
- Princeton Properties will demolish the 128,000-square-foot vacant Source Club warehousing and retail building near Eureka Road and construct 204 attached single-family homes using tax capture valued at \$1.95 million. Demolition on the site is expected to occur by November 2005 with the final project completed by 2009. Princeton Properties will invest approximately \$38.8 million in the project.

Fostering Vibrant Michigan Cities and Urban Centers

Lenawee County, Mackinaw City and McBain Receive Planning Funds: A total of \$83,250 in planning grants is being made available by the MEDC to three communities with funds provided by the federal Community Development Block Grant program. They are:

- **Lenawee County:** A total of \$50,000 in community development funding has been awarded to Lenawee County for a countywide planning study that will spur job creation projects. The results will help boost economic development in the Ohio-border county, home to the Irish Hills area, Michigan International Speedway and Hidden Lakes Gardens. The county will provide a \$50,000 match.
- **Mackinaw City:** A total of \$14,250 in community funding has been awarded to the village of Mackinaw City to support downtown economic development planning and marketing activities. The village, located at the top of the Lower Peninsula on the southern end of the Mackinac Bridge, will use the grant for a study to identify market niches that would help the village attract more year-round businesses and new residents. The village will contribute a match of \$14,250 to finance the study.
- **City of McBain:** Community development funding in that amount of \$19,000 has been awarded to the city of McBain for alternative energy feasibility planning. The Missaukee County community is located east of Cadillac and south of Lake City. Electricity at the McBain Power Station is produced by burning waste wood combined with alternative fuels purchased from local suppliers. The study will identify methods of capturing hot water, steam and electricity from the facility's existing cycle of operation for use by the city's industrial/manufacturing firms. It will also determine the best way to transmit the new energy source to off-site locations as well as the costs associated with equipment, installation and operation. The city will contribute an additional \$19,000 to finance the study.

\$1 Million Grant to Help Bring New Businesses and Jobs to Saginaw: Governor Granholm joined Saginaw city and county officials to celebrate a \$1 million grant that will be used to repair a portion of East Genesee Avenue (Dixie Highway), the main roadway that runs through the heart of downtown and connects Saginaw with several other communities in the area. The Community Development Block Grant earmarked for road and public infrastructure improvements was approved last month by the MEDC. The city will provide a match of \$1 million to replace the current water main in place since the late 1800s.

Macomb Redevelopment to Generate More than 1,100 New Jobs: A contaminated and unmanaged brownfield site in Romeo will undergo a \$10 million redevelopment that is expected to create approximately 1,100 new jobs and retain 750 more, thanks to a \$1 million Single Business Tax (SBT) credit approved by the Michigan Economic Development Corporation (MEDC). The developer, Kemp & Peyerker Sterling LLC, will transform a 56-acre site on Powell Road to create the Romeo Corporate Park. It will clean up soil contaminants including arsenic, demolish eight blighted structures, and build 26 new industrial/manufacturing facilities with a total square footage of 851,000. Two access roads and parking areas for each building will complete the development.

Governor Announces Revitalization Projects in Six Communities: Governor Granholm announced on April 1 that contaminated, blighted, or functionally obsolete properties in six Michigan communities will be transformed into housing and retail opportunities, creating and retaining up to 133 new jobs. The projects, assisted by more than \$21 million in brownfield Single Business Tax (SBT) credits from the Michigan Economic Development Corporation (MEDC), are expected to generate more than \$7 million in private investment. Half of the projects are in the communities of Alpena, Detroit, and Kalamazoo, participants in the Cool Cities Initiative:

- **Alpena Marc LLC** will use two tax credits valued at \$475,000 to complete sub-projects related to the redevelopment of Alpena's former Fletcher Paper Mill complex into the National Oceanic and Atmospheric Administration offices and marine operations center and a brew pub. Alpena Marc will invest more than \$4.7 million in the project, which is expected to create and retain six jobs.
- **Russell Street Development** will use a tax credit valued at more than \$116,000 to renovate two vacant, connected buildings on Russell and Adelaide/Winder streets located in a national historic district in Detroit's Eastern Market into a restaurant, a small banquet area, and a larger banquet hall. This Cool Cities project of the Greater Downtown Partnership will allow an additional 50 vendors to conduct business in the market and establishes the Eastern Market neighborhood as a link to the riverfront and downtown. Russell Street Development will invest more than \$1.1 million in the project.
- **United Building LLC, in partnership with the City of Kalamazoo, Downtown Kalamazoo Inc., and Downtown Tomorrow Inc.,** will use a tax credit valued at more than \$423,000 to redevelop a three-block area in the city's northeast business district. The project includes redeveloping the historic United Electric Building on East Kalamazoo Avenue into office, restaurant, and entertainment space. The developer will invest approximately \$4.2 million in the project, which is expected to create 50 new jobs.
- **Bean Management LLC** will use a tax credit valued at more than \$30,000 to redevelop a former Lindell Drop Forge site in Lansing which was previously used for drum storage and parking. The new development will consist of a 5,000 square foot building that will include office space for the Bean Management LLC headquarters and 1,750 square foot of space available for lease. Bean Management will invest more than \$307,000 in the project, which is expected to create 10 jobs.
- **Parrothead LLC** will use a tax credit valued at more than \$104,000 to renovate a former gas station and auto service center in downtown Sebawaing into space for a dental practice and a dermatology practice. Parrothead will invest more than \$1 million in the project, which is expected to create and retain approximately 15 jobs.
- **Labadie Park LLC** will use a tax credit valued at \$1 million to redevelop the former McCord Manufacturing facility in Wyandotte into 92 new homes. The mixed-use residential neighborhood will be comprised of townhouses, terrace apartments, and three sizes of single family units. The project will create two new jobs.

Making Michigan a Leader in the Global Economy

Michigan Engineering Initiative Aims to Keep Tech Talent In-State: Governor Jennifer Granholm has launched the Michigan Engineering Incentive, a lending program offering savings to the state's tech-minded college students. The incentive is offered to those enrolled in engineering or other tech majors and is open to Michigan resident students across the U.S. and all students attending Michigan schools. The program's goal is to boost the state's highly skilled workforce by requiring graduates to live and work in Michigan when their loan enters repayment.

Michigan #1 for 2002 Auto-Related R&D Spending: In the most recent data reported by the National Science Foundation, Michigan at \$10.3 billion accounted for 67.4% of total U.S. public/private research spending in 2002, more than the other 49 states combined.

Michigan Ranked Among Top 10 States for Projects in 11 Industrial Sectors: Michigan ranks among the Top 10 states in 11 industrial categories, taking the #1 spot for auto supplier expansions and startups and #1 for vehicle manufacturing expansions. The benchmarking was done by BizMiner, www.bizminer.com, a Camp Hill, Pennsylvania-based firm doing research in economic and business development since 1990. The report, covering the period of first quarter 2003 - 2004, was compiled at the request of Global Corporate Xpansion, a site consultant trade publication. The other categories included in the report are: manufacturing, plastics/chemicals, medical devices, health services, biotech, agribusiness/food process, high technology, telecom, and transportation.

New Rankings Point to Michigan's Improving Business Climate and Economic Vitality: Michigan is leading the nation in new corporate facilities and expansions, advancing to the forefront of micro- and nanotechnology development and commercialization, and being recognized for its innovation in encouraging entrepreneurship, according to three separate rankings and awards that were recently announced. Governor Granholm said that the awards demonstrate how effectively Michigan is growing its advanced manufacturing base while also diversifying into new, high-tech industry sectors. The three rankings and awards recently announced:

- *Site Selection* magazine announced that Michigan was second in the nation for new corporate facilities and expansions in 2004 and remains the national leader after eight years of tracking with 10,882 projects. The ranking is based on the number of new projects with at least \$1 million in investment, 20,000 or more square feet of new construction, or that create 50 or more new jobs. (Retail and residential construction projects do not qualify.)
- Michigan's SmartZone program won the national "Best Practice" award for regional economic development initiatives by the U.S. Small Business Administration. The program was recognized for outstanding innovation in creating a collaboration between the State of Michigan, local communities, businesses, universities, and private firms to create new technology clusters in the state.
- *Small Times* magazine announced that Michigan is ranked fifth in the U.S. for small tech development, further validating the state's claims as a small tech industry leader. The term "small tech," in its common use, includes the development and applications of microelectromechanical systems (MEMS), microsystems, and nanotechnology. Michigan had an exceptionally strong showing in the category of venture capital devoted to small tech, advancing to third in the nation from last year's ranking of ninth.

University of Michigan #2 for 2002 R&D Spending: The University of Michigan is the nation's #2 public university for total research and development spending, as reported by the National Science Foundation. To date, 2002 is the most recent year R&D spending has been verified for U.S. universities. The university was ranked #3 in 2001.

Michigan Information Technology Center Officially Opens: The Michigan Information Technology Center (MITC) officially opened its new \$20 million, four-story, 130,000-square-foot center in Ann Arbor, located on South State Street near the I-94 interchange. Designed to serve as an IT industry accelerator, it was funded in part by a \$10 million grant from the MEDC and will be a showcase and resource for Michigan's high-technology industry. The state-of-the-art facility has eight conference rooms designed for video conferencing and high-tech presentations or seminars that require multimedia devices and Internet capacity. Conference space will be leased out for technologically complex events that cannot be accommodated anywhere else. The MITC's tenants include Merit Network and Internet2. Merit supplies Internet access to 13 Michigan universities, hospitals, K-12 schools, and nonprofits, while Internet2 is a nationwide research project based in Ann Arbor looking into futuristic Internet applications. More information on the MITC is available at <http://www.michitc.org>.

Michigan Moves Up to 4th Place in 2004 Export Ranking: Michigan's exports rose 8.15% on sales of \$35.6 billion in 2004, moving the state from 5th in 2003 to 4th place behind Texas, California and New York. Michigan again led the states for exports of vehicles and parts at \$14.7 billion, accounting for 20.1 percent of U.S. exports in that category. Iron and steel showed the largest gain, with capital goods remaining strong. Exports to our largest trading partner, Canada, increased by \$3.3 billion, as well as large export gains to France, China and Korea. The MEDC's Mexico office successfully completed the pilot SMAP (Strategic Market Access Program) with five advanced manufacturing companies traveling to Mexico March 8-11 for meetings with potential agents, distributors or representatives for the purpose of starting or expanding exports to Mexico. It was scheduled to coincide with the trade show, TECMA, which provided greater opportunity for participants to meet with Mexican industry leaders. Additional SMAPs are planned for the Mexican and Chinese markets. Recruitment began in April in coordination with MEDC international partners.

State Assistance Helps Secure More Than \$400,000 for High-Tech Entrepreneurs: Five Michigan technology companies have been awarded a total of \$419,514 in federal Small Business Innovation Research (SBIR) grants after receiving support from the state's Emerging Business Fund. The fund, administered by the MEDC and part of the Governor's 21st Century Jobs Initiative, provides matching grants to Michigan companies in targeted high-tech sectors that include life sciences, advanced automotive technologies and homeland security. Since the fund's inception in 2004, nearly \$1 million has been awarded to 10 Michigan companies, with the MEDC providing \$149,056 in matching funds. The five companies, based in Ann Arbor, Farmington Hills, Okemos and Troy, applied for SBIR grants with the assurance of a total of \$62,927 in matching funds from the Emerging Business Fund upon successful application. The companies and the amount of their federal awards:

- **Advanced Sensor Technologies Inc., Farmington Hills,** received \$69,822 to develop and bring to market a variety of microelectromechanical (MEMS) medical devices used for physiological patient monitoring and treatment.
- **Mid Michigan Research LLC, Okemos,** received \$69,779 for engineering and developing testing software for transportation-related systems.
- **Soar Technology Inc., Ann Arbor,** received two grants totaling \$139,945 to develop human reasoning software that can automate complex tasks and simulate human behavior for uses in both homeland security and life sciences.
- **TES International LLC, Troy,** won \$69,968 to research marketable solutions for heat transfer, stress and vibration problems with advanced automotive manufacturing applications.
- **T/J Technologies Inc., Ann Arbor,** \$70,000 to develop advanced materials and devices for electromechanical energy storage and conversion, including rechargeable batteries, ultra capacitors and fuel cells.

For more information about the SBIR Emerging Business Fund or to submit an application electronically, please visit the TTC Web site at <http://www.medc.michigan.org/ttc>.

Governor Addresses SAE World Congress International Reception: Governor Granholm was the keynote speaker at the International Networking Reception, a featured event of the 2005 Society of Automotive Engineers' (SAE) International World Congress sponsored by General Motors. The reception represented a global platform that gathers business leaders, SAE members, and media from around the world during the SAE annual conference, held April 11-14 in Cobo Center, Detroit. The event annually draws more than 35,000 attendees and nearly 1,000 exhibitors. The Governor's appearance emphasized her continued support of an economic growth plan introduced last year that, among other strategies, increases the state's presence as a competitor in world markets. Michigan ranks 8th in the nation for the number of employees supported by U.S. subsidiaries of foreign companies, according to the Organization for International Investment. It is estimated that these companies are responsible for creation of almost a quarter-million jobs, more than half of them in manufacturing, providing the primary source of income for more than five percent of Michigan's private-sector workforce.

Detroit Featured on 'The View' as an Up-and-Coming City: Detroit was among five cities showcased as one of America's 2005 up-and-coming cities on the ABC television show "The View." Detroit was chosen for its new development projects and the rising value and demand for real estate in the city. Highlights included the new Riverfront project, Campus Martius, and The Lofts at Merchant's Row-both projects assisted by the MEDC. "The View" airs daily at 11 a.m. on WXYZ TV-7 in Detroit, an ABC affiliate.

Promoting Michigan's Tourism Industry

Spring Is Sprung at michigan.org: The MEDC's official economic development and travel site (<http://www.michigan.org>) will be in full bloom as the travel section of the Web site bursts into Spring. Featured images and copy will reflect the array of diverse things to see and do sprouting up all around the state. Visit michigan.org to plan your spring getaway.



State of DLEG Meeting Features Super Bowl Speaker: More than 200 DLEG employees attended the latest State of DLEG meeting held at Lansing Community College's new west campus. The theme for this State of DLEG was Super Bowl since Michigan is counting the days until Michigan hosts the big event on Feb. 6, 2006. The world will be watching with 800 million viewers expected to tune into Detroit's Super Bowl and it will have a major economic impact on Detroit and our state. More than 3,000 media representatives and 100,000 visitors will be coming in February and bring an estimated \$300 million to Michigan's economy. Special guest Susan Sherer, executive director of Super Bowl 2006, told us the state had a successful test run with the Motown Winter Blast held this winter with Olympic gold medalists, dog sledding, iceskating and a giant Michigan.org slide sponsored by Travel Michigan. For more information about Super Bowl XL, visit <http://www.sbxl.org/>.

DLEG Director David C. Hollister dressed in Super Bowl gear for the State of DLEG. When an audience member asked him what he thought about the state's Rust Belt image, Hollister threw a yellow penalty flag.

MiWiFi Gives Travelers High-Speed Wireless Hookup at Michigan State Parks: Ten public "hotspots" will soon make the full resources of the Web available to travelers in Michigan. Under special affiliation with SBC and its FreedomLink wireless service, anyone with their own wireless equipped laptop or PDA (personal digital assistant) can stop in at one of 10 MiWiFi hotspots and connect to the Internet. This is normally a fee-based subscription service, but for March and April the Internet connection service will be free, including full access to www.michigan.gov and www.travel.michigan.org. Live now: Holland, Grand Haven and Mackinac Island state parks, New Buffalo and Coldwater Welcome Centers and Clarkston rest area (off southbound I-75). Scheduled to go live this spring: Ludington and Charles Mears (Pentwater) state parks and East Tawas public dock.

Helping Workers with Wage Disputes

Michigan's Wage & Hour Program Now Takes Wage Complaints Online: Workers who have a wage dispute with their employer can now go online to file a complaint with the state of Michigan. The employment wage complaint form is online at <http://www.michigan.gov/wagehour> and is available 24 hours a day, seven days a week. Wage complaints typically occur when workers do not receive their paycheck, overtime pay, equal pay or fringe benefits such as vacation pay, bonus or sick pay. Like the paper complaint, the online form asks for basic information, such as the worker's name, address, phone number, county of residence, employer's name and address, an explanation of the wage issue and the time period covered by the wage dispute. There are also about a dozen "yes" / "no" questions the individual must answer. Wage & Hour can then email the person a copy of the complaint, which also becomes verification that the state received the complaint. Once the complaint is received, it is assigned to a wage and hour investigator for review. The investigator determines if all the necessary information is in the complaint and if it is something the division has the authority to investigate. Claims are handled on a first-in, first-out basis, which means it could be 30 to 60 days before an investigation begins once the division receives a complaint. The division receives about 6,000 wage complaints a year and expects the online process will initially handle about five percent of the total.

Protecting Worker Safety

IMCO Recycling's Coldwater North Plant Receives SHARP Award for Safety and Health Excellence: IMCO Recycling Inc.'s Coldwater North Plant, a subsidiary of Aleris International, Inc., became the second facility in the state to receive the prestigious SHARP Award for an exemplary safety and health management system on March 9th. The company's South Plant received the first



MIOSHA presented the SHARP Award to the IMCO management team on behalf of all 120 Coldwater North plant workers.

award on August 11, 2003. The Michigan Occupational Safety and Health Administration (MIOSHA) established the Michigan Safety and Health Achievement Recognition Program (SHARP) Award to recognize employers that have achieved safety and health excellence far beyond their peers. The Michigan SHARP Program targets small, high-hazard employers-to help them develop, implement and continuously improve the effectiveness of their workplace safety and health management system. Onsite consultants work with employers to help them become self-sufficient in managing occupational safety and health. SHARP worksites earn an exemption from "programmed" MIOSHA inspections on a yearly basis. The IMCO Coldwater North Plant recycles more than 200 million pounds of aluminum scrap annually. On a daily basis, their workers handle several hundred thousand pounds of molten aluminum, reaching over 1400° F. Principal customers of the IMCO aluminum operations include major aluminum companies, as well as automobile manufacturers and their suppliers. Aleris International, Inc. is one of the world's largest recyclers of aluminum and zinc and one of the leading US manufacturers of aluminum sheet. The company has 29 production locations in the US, Latin America and Europe and employs approximately 3,200 employees.

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International Paper's Plants Receive State Safety and Health Awards: Two International Paper plants received recognition from the Michigan Occupational Safety and Health Administration (MIOSHA) for workplace safety and health excellence.

- **International Paper's Sturgis Converting & Distribution Center** received the Michigan Voluntary Protection Program (MVPP) Star Award on March 11. This is the most prestigious safety and health award given in Michigan. MIOSHA established the MVPP program in 1996 to recognize employers actively working toward achieving excellence in workplace safety and health. Since 1999, Michigan has recognized 17 MVPP Star companies. The Sturgis plant has an exemplary safety and health record, and has exhibited outstanding leadership in recognizing that a comprehensive safety and health program is critical to successful businesses today. Their safety policy was developed to support the corporate safety policy - which states, "Products can be made in a safe and healthful workplace." Their company goal is zero accidents. On their road map to reaching Star status, the facility has met the rigorous MVPP Star program requirements. The MIOSHA Review Team conducted 18 formal and 10 informal interviews during the site visit. The team examined each of the five required elements of the site's safety and health management system and found the company to have an excellent system in place. The Sturgis facility is a manufacturing plant, which converts rolls of paper into sheet form used primarily in commercial printing operations. There are 80,000 tons of paper converted annually in the facility. Major customers include: Hallmark and American Greetings (cards), RR Donnelley (magazines), McNaughton & Gunn (book covers), Tweedle Litho (vehicle manuals), and Pollard Banknote (lottery tickets).

- **International Paper's Quinnesec Mill** received renewal of their Star Award, the state's highest workplace safety and health award. Mill Manager George Obernesser and Safety Leader Jim Sutton recognized all Quinnesec Mill employees for their continued excellence in worker safety and health. Employees and guests attended the celebration and luncheon. They first received MVPP Star approval on March 26, 2001. The Quinnesec Mill is a state-of-the-art facility that manufactures bleached hardwood kraft pulp and high-quality coated printing paper used in magazines and catalogs. The mill has approximately 520 regular employees, and 75 contract employees. International Paper is the world's largest paper and forest products company. Businesses include paper, packaging, and forest products. Headquartered in the United States, International Paper has operations in over 40 countries and sells its products in more than 120 nations. International Paper's corporate dedication and commitment to health and safety excellence is exemplified by their many facilities that have achieved Star status in OSHA's Voluntary Protection Program (VPP). At year-end 2004, International Paper had 77 certified VPP sites.



State and local officials joined employees and management of the Sturgis Converting & Distribution Center to celebrate their recognition as an MVPP Star.



EHM Director Ken Swisher, EHM Safety Manager Steve Monet, CET Director Connie O'Neill, OSE Director David Fink, DLEG Director David Hollister, and MIOSHA Director Doug Kalinowski participated in the MIOSHA/OSE Alliance signing.

MIOSHA and the Office of the State Employer Form Alliance to Improve Workplace Safety and Health in State Government The Michigan Occupational Safety and Health Administration (MIOSHA) and the Office of the State Employer-Employee Health Management Division (EHM) signed a formal alliance establishing a collaborative relationship to improve workplace safety and health in state government. All parties are forming the alliance to use their collective expertise to promote safety leadership and to provide support for creating a culture of continual workplace safety and health improvement. The alliance is designed to include management, supervision, labor, and employees-working together to create a safer and healthier workplace. The alliance was signed by: David C. Hollister, DLEG Director; David H. Fink, Office of the State Employer Director; Doug Kalinowski, MIOSHA Director; and Ken Swisher, Employee Health Management Director. Alliances enable organizations committed to workplace safety and health to collaborate with MIOSHA to prevent workplace injuries and illnesses. Alliances are open to all groups, including: trade or professional associations, businesses, labor organizations, educational institutions, and government agencies. For more information about forming an alliance or partnership with MIOSHA, please visit <http://www.michigan.gov/miosha> or contact the Consultation Education and Training (CET) Division at 517.322.1809.

Helping Low- and Moderate-Income Michiganians

MSHDA Announces Loan for Affordable Family Housing: The Michigan State Housing Development Authority has announced four projects to help residents throughout Michigan achieve affordable rental housing:

- **KENT COUNTY:** A 190-unit family rental development will be rehabilitated in the City of Grand Rapids with the help of a mortgage loan of up to \$7,000,000. Weston Apartments is located on Weston and Ionia Streets in the City of Grand Rapids. All of the units, including 50 efficiency units, 126 one-bedroom apartments, and 14 two-bedroom units, will be targeted to households with incomes at or below 60 percent of area median income. The investment will create approximately 175 full-time year-long jobs in construction and related trades. MSHDA financed the loan under its Limited Obligation Mortgage Revenue Bonds "Pass Through Program," which offers low interest loans to for-profit or nonprofit developers for new construction or rehabilitation of rental developments.
- **GENESEE COUNTY:** More than 100 units of new rental housing for low and moderate income elderly people will be built in Genesee County with the help of a \$9,795,060 mortgage loan. Lockwood of Fenton will be located on the west side of Silver Parkway between Silver Lake and Owen Roads in the City of Fenton. The development will consist of 34 one-bedroom and 71 two-bedroom apartments and one model unit in one three-story building. Unit amenities will include carports, microwaves, central air conditioning, balconies or patios, entry door security system and emergency pull-cord systems. Common laundry facilities will be provided on each floor of the building. Common area amenities will include a dining room, recreation room, television lounge, craft room, sitting areas throughout the building, and a game room. Food service consisting of one hot meal per day, laundry, and light housekeeping will be available as an option to residents at an extra cost. In addition, 14 carports will be available at an extra cost. Lockwood of Fenton will be financed under the Tax-Exempt Bond Financed Program (TEAM), which offers a financing rate of 5.5 percent interest and a 35-year mortgage term. Forty-four of the units will be made available to residents with incomes at or below 60 percent of area median income. In addition, the development will be assisted by a \$1.3 million HOME loan from Genesee County. The investments will create 181 full-time, year-long jobs in construction and related trades. Initial occupancy for Lockwood of Fenton is scheduled for July 2006.
- **EMMET COUNTY:** A new 49-unit rental development for low to moderate-income families will be built in Bear Creek Township with the help of a \$3,067,964 mortgage loan. Maple Village II will be a 49-unit family development, located west of U.S. 131, south of Hayner Drive adjacent to Maple Village I in Bear Creek Township. It will consist of 39 two-bedroom and 10 three-bedroom units. Amenities will include central air conditioning, dishwashers, microwave ovens, in-unit washers and dryers, and patios or balconies. Maple Village II will be financed under the HOME TEAM Advantage tax-exempt bond program, which offers a financing rate of 4.5 percent interest and a 35-year mortgage term. The investments will create over 75 full-time, year-long jobs in construction and related trades. Initial occupancy for Maple Village II is scheduled for March 2006.
- **MACOMB COUNTY:** A 300-unit elderly rental development will be rehabilitated in the City of Center Line with the help of a mortgage loan of up to \$15,067,000. Center Line Park Towers is located at 8033 East 10 Mile Road in the City of Center Line. All of the units, including 267 one-bedroom and 33 two-bedroom units, will be targeted to households with incomes at or below 60 percent of area median income. The investment will create approximately 309 full-time year-long jobs in construction and related trades. MSHDA financed the loan under its Limited Obligation Mortgage Revenue Bonds "Pass Through Program," which offers low interest loans to for-profit or nonprofit developers for new construction or rehabilitation of rental developments.

Protecting Michigan Consumers

Michigan Liquor Control Commission Recognizes April as Alcohol Awareness Month: April 1st at the Capitol Rotunda in Lansing several community and industry groups as well as local teens gathered to kick-off April 2005 as Alcohol Awareness Month. State Representative Rick Jones and the Director of the Office of Highway Safety Planning Mike Prince spoke in depth about the dangers of underage consumption and the role awareness plays in prevention. An eighth grade student who spoke about the pressures teens face and why it is important to know what you believe in and share those beliefs with friends. Coinciding with Alcohol Awareness Month, the Michigan Liquor Control Commission and The Century Council are bringing Brandon Silveria to Michigan High Schools. During the week of May 2-6 he will visit 7-10 schools and talk about the dangers (and repercussions) of underage drinking. Brandon is a survivor of a near fatal crash following the consumption of a few beers at a high school party. Nationally, this year's theme slogan is "Together We Can Stop Underage Drinking." For more information about Alcohol Awareness Month & Underage Drinking Prevention, call 1-800-968-4968.

Doctors Warned of Fraudulent Med-Mal Insurance Company: The Michigan Office of Financial and Insurance Services issued a warning to all doctors in Michigan. A medical malpractice (med-mal) insurance company, Professional Liability Insurance Company (PLIC), is claiming to provide insurance coverage to doctors in Michigan but not paying out claims. This company is unlicensed in Michigan and has already scammed one Michigan doctor. This company, under various names, is defrauding doctors nationwide. Florida and Maryland have already issued Cease and Desist Orders against the company and its affiliates, and OFIS is coordinating with these states and with federal officials. The website for the company is <http://Medmalins.com>, the phone number is 800-967-9772 or 770-980-0201, and the address for the company is listed at 6025 Sandy Springs Circle, Suite 312, Atlanta, Georgia 30328. According to enforcement actions issued by other states, this company has used several names in soliciting doctors to purchase its unauthorized med-mal insurance, including: Unimed Insurance Company; Professional Liability Insurance Company, LTD; Ledee and Associates, LLC; Professional Liability Insurance Corporation; PLIC Claims Management, Inc; Crowne Global Group, LTD; Medical Risk Associations, RPG, LTD; and Physicians Malpractice Analysts, Inc. OFIS became aware of the operations of this entity in Michigan when it received a complaint from a doctor who paid for insurance offered by PLIC. Although he paid his premium, he submitted a claim and never heard from PLIC or received the monies that he was owed. This matter is being investigated by OFIS as well as the FBI in Atlanta. If you are currently a client of any of these companies, or if you are solicited by these businesses, please contact OFIS immediately at 1-877-999-6442.

OFIS Now Offers Quarterly Newsletter: The Michigan Office of Financial and Insurance Services now offers a newsletter: *Focus on OFIS*. The six-page newsletter features articles about the agency's issue and regulatory activities for insurance, banking, credit unions, and consumer protection. It also includes staffing announcements, listing of bulletins and letters, and a chart on consumer protection calls. The newsletter was emailed to more than 1,000 interested stakeholders including industry, press, legislators and consumers. The newsletter is posted on the OFIS Web site and the most recent edition is at: http://michigan.gov/documents/Second_issue_122378_7.pdf.

Michigan Public Service Commission Issues Annual Report: The Michigan Public Service Commission (MPSC) issued its annual report to Governor Jennifer M. Granholm and the Michigan Legislature. MPSC Chairman J. Peter Lark said some of the highlights included:

- The MPSC formally adopted rules governing service quality and reliability for electric distribution systems. Under these rules, Michigan consumers have in place some of the best standards in the country, including stiff penalties for utilities that fail to live up to standards.
- The MPSC issued its final order in the Detroit Edison electric rate case, granting the company \$87 million in rate relief. This followed the MPSC's earlier interim order that granted the company \$248.4 million in rate relief. When rate caps come off for residential customers on Jan. 1, 2006, they will see a monthly bill increase of \$5.64. The order also made permanent the Low Income and Energy Efficiency Fund (LIEEF), providing \$40 million annually to assist Michigan's most needy citizens.
- The Commission awarded \$20 million in grants for energy assistance and \$8 million in grants for low-income energy-efficiency projects from the LIEEF.
- Forty-three competitive local exchange carriers were granted licenses or had their licenses amended in 2004, bringing the total of competitive carriers serving in Michigan to 208 and the percentage of Michigan wireline telephone customers being served by competitive carriers to 27.4.
- The MPSC's Call Center fielded nearly 44,000 telephone calls from individuals and businesses.
- As part of its homeland security responsibilities, the MPSC trained 10 staff members in emergency procedures.
- Electronically-filed cases in 2004 accounted for 52 percent of all cases filed at the MPSC.
- MPSC hearing rooms were equipped with Wi-Fi (wireless Internet access) to enhance access to Internet services, including MPSC dockets and electronic filings.

The entire report is available on the MPSC Web site: <http://michigan.gov/mpsc>.

Investor Protection Trust and Investor Education Fund Funds Available: The Michigan Office of Financial and Insurance Services (OFIS) announced the availability of Investor Protection Trust (IPT) and Investor Education Fund (IEF) grant dollars. Interested parties should check the OFIS web site for submission guidelines for their grant program proposals and for information to request the Commissioner's endorsement for proposals. The Investor Protection Trust (IPT) is a trust devoted to investor education. The primary mission of IPT is to provide consumers with independent, objective information required to make informed investment decisions. Funding for the IPT comes from the Investor Education Fund (IEF), a fund established with contributions from the analyst conflicts-of-interest settlements. The predominant purpose of the grant program proposal should be investor education or research on topics dealing with securities, investments and compliance with state and federal securities laws, designed to provide investors with the knowledge and skills necessary to make informed investment decisions. The IPT grant process guidelines are available at <http://www.investorprotection.org>. Applicants must follow OFIS guidelines and request for endorsement by Commissioner Watters: http://www.michigan.gov/documents/Final_Version_of_IPT_OFIS_Guidelines_119513_7.pdf. OFIS is accepting grant program proposals through May 15, 2005.

OFIS Commissioner Notes Rates Largely Competitive But Not Affordable: The Office of Financial and Insurance Services (OFIS) released the results of its study of competitiveness in Michigan's insurance market. While the report found competition under the very strict definition of the law, the Commissioner said that competition does not necessarily equal affordability in the market. The Commissioner said there are a few places in the state with "excessive" rates - as defined by the law - but called the existing law inadequate for ensuring affordable insurance. The Commissioner called for greater tools to ensure affordable insurance in all of Michigan's communities. The Market Competition report examined whether home and auto insurance rates are excessive in Michigan. The report indicated that although there are areas of Michigan that have excessive insurance rates, insurance rates statewide are not "excessive," because the law says that the only measure of "excessive" is whether competition exists. The report also indicated that there is still a need to reduce the premiums that Michigan residents pay for insurance. Such a reduction will serve as an important component of the State's strategy to be competitive as it strives to increase employment and population. The report is the final product of the data call of home and auto insurance that was issued by OFIS and Governor Granholm early last year. The data call, which hadn't been done in 20 years, required insurance companies to provide specific information about premiums, expenses, pay-outs on claims, and other important areas dictated by Michigan law. Along with the release of the Market Competition report, Watters called for several changes in insurance law to make insurance more affordable. She called current law woefully inadequate as a tool for either ensuring affordable rates or going after those companies found to be charging excessive rates. Commissioner Watters is making recommendations which will be formulated and introduced as legislation by the Michigan Legislature. The report is titled "The Competitiveness and Premium Excessiveness of the Home and Auto Insurance Industry in Michigan" is online at http://www.michigan.gov/documents/FINAL_REPORT-competitiveness_summary_119198_7.pdf. It was compiled and completed by economist George Galster, PhD of Wayne State University.

Commissioner Watters Calls for Public Accountability at MCCA: Office of Financial and Insurance Services (OFIS) Commissioner Linda A. Watters called on legislative leaders to support bills designed to make the Michigan Catastrophic Claims Association (MCCA) accountable to Michigan drivers. Commissioner Watters has thrown her support behind efforts to subject the MCCA to the Freedom of Information Act (FOIA) and the Open Meetings Act (OMA), along with legislation that would permit her to appoint a public member to the board and hire an independent auditing firm to examine MCCA operations. At their March 16, 2005 meeting-which was not open to the public-the MCCA's Board of Directors set this year's assessment at \$141.70 per vehicle and \$28.34 per historical vehicle after an annual review of the MCCA's financial statements. The assessment rate-the highest ever announced by the MCCA-will be effective July 1, 2005 through June 30, 2006. The assessment funds a pool of money that reimburses auto insurers for medical benefits paid for catastrophic medical costs that exceed \$375,000, as of July 1, 2005, resulting from an auto accident. Commissioner Watters continues to believe that while the MCCA serves an important role by providing a ready source of reinsurance for Michigan insurers, the current structure as a legislatively created private association is fundamentally flawed in that it lacks public accountability. While OFIS can and does conduct financial examinations of the MCCA, these exams focus on the MCCA's balance sheet-not whether the Board is making sound decisions. The Commissioner is an ex-officio member of the Board, but she has no vote.

MPSC Issues New Consumer Alert on Natural Gas Choice: The Michigan Public Service Commission (MPSC) issued a new consumer alert on March 29th aimed at helping customers compare the cost of gas from an alternative gas supplier (AGS) to the cost of gas from a regulated utility. "A number of alternative gas suppliers have recently started new marketing campaigns in the service territories of Consumers Energy and DTE Energy/Mich Con," MPSC Chairman J. Peter Lark said. "It is important for natural gas choice customers to know that they are choosing on the basis of the cost of natural gas only and that the cost of the gas purchased from an alternative gas supplier may or may not be less expensive than that purchased from a regulated utility. Gas choice customers will still see charges on their bills for customer and distribution charges, as well as sales tax." The consumer alert also explains that:

- AGS customers commit to a contract and that the rate they are charged for natural gas is set by the AGS and is not regulated by the MPSC.
- The current gas utility continues to deliver the natural gas to the customer's home, reads the meter, and sends the bill, and charges regulated rates for providing these services.
- Customers are not required to select an AGS to supply natural gas.

"This new consumer alert complements an existing consumer alert entitled, 'Natural Gas Choice is Here.'" Lark noted. "It provides a list of important questions that customers should ask before making any decisions." Both alerts are available on the MPSC's web site: <http://www.michigan.gov/mpsc> or call the MPSC's call center at 1-800-292-9555.

Fire Marshal Recommends Regular Automobile Maintenance to Reduce the Chance of Fires: The Office of the State Fire Marshal urges drivers to provide regular maintenance and make repairs as soon as they become known to reduce the chance of an automobile fire. "Popular belief is that collisions and rollovers are the main cause of automobile fires," said Andy Neumann, State Fire Marshal. "In reality, the majority of automobile fires are caused by poor car maintenance, followed by mechanical or electrical failure." Drivers who attempt to put out an automobile fire without the proper knowledge or skills can put themselves and others in harm's way. Every car fire is different, so it is critical to leave putting the fire out to the professionals. "The first thing a driver should think about is personal safety," added Neumann. "A vehicle can be replaced - a human can not." The tips are available at: http://www.michigan.gov/cis/0,1607,7-154-10573_11472-114416--M_2005_3,00.html.

Creating Cool: The Economy of Arts and Culture

Historic Preservation and Economic Development: In Michigan historic preservation has been key to economic development. Rehabilitating historic buildings for new uses leverages private capital, creates jobs, revitalizes neighborhoods and business districts, and stimulates a wide range of other economic activities. Historic preservation tax incentives at the federal and state level attract developers who might otherwise invest in places other than Michigan's community cores. In 2004 developers and homeowners alike applied for federal and state historic preservation tax credits for 196 projects in 27 counties. The General Motors Corporation completed a major rehabilitation of its technical center in Warren during 2004. The project will be certified by the National Park Service in 2005. For 2004 rehabilitation expenditures total approximately \$589 million in direct investment. These direct expenditures resulted in approximately \$672 million in additional indirect spending for a total of over \$1.2 billion in economic impact. This investment resulted in the creation of some 14,500 jobs. To learn more about how historic preservation efforts can boost economic development in your area, go to <http://www.michigan.gov/shpo>.

First Gentleman Daniel Granholm Mulhern Announces Michigan's 2005 Cool Places to Work Competition: First Gentleman Daniel Granholm Mulhern announced the State of Michigan has teamed with Crain's Detroit Business and the American Society of Employers to launch the "Cool Places to Work" Competition. This program recognizes Michigan organizations that have created a work environment that allows people to thrive. The Cool Places to Work Competition is divided into two phases. In phase one, employees who work for any Michigan business can nominate their company using an online form. In phase two, each nominated company will be contacted and asked to submit information on its policies and practices that will help determine if it is one of Michigan's Cool Places to Work. The criteria for being chosen as a Cool Place to Work was developed by benchmarking the latest information and best practices on great places to work. The American Society of Employers, a one-stop-shopping member organization for human resources, is helping develop the questionnaire and process for the statewide 2005 Cool Places to Work Competition. Selected companies will be recognized in a special edition of Crain's Detroit Business August 29 and also will be invited to an awards event in September. For more information about the 2005 Cool Places to Work Competition log on to <http://www.crainsdetroit.com>.

Promoting Energy Efficiency

Five Michigan Builders Receive Energy Star Home Grants: Five Michigan builders have been awarded grants from the Energy Star Home Grant Program to build energy-efficient houses. DLEG Director David C. Hollister presented an \$8,000 grant at Urban Options Energy & Environmental Demonstration House in East Lansing to each of the five selected builders. The recipients are:

- **Olde World Custom Homes, Traverse City- Project Location: Greater Traverse Area. This project is in cooperation with Home-Cost.com and Riverbend Timber Framing.**
- **Steinorth Fine Homes, Traverse City- Project Location: Greater Traverse Area.**
- **C.L. Gruner, Ada- Project Location: Greater Grand Rapids Area.**
- **T. Joseph & Sons Construction, Linden- Project Location: Greater Flint Area.**
- **Raymar Homes, Hudsonville - Project Location: Caledonia.**

Builders compete for the U.S. Department of Energy funded grants based on energy-efficiency, marketing plans and innovations. Rated by the DLEG Energy Office on a scale of 1-5 stars, each house required a Five Star rating based on a National Home Energy Rating System to be eligible for the grants. Home energy ratings help buyers identify energy efficient homes as well as understand energy costs and how to lower them. Some of the innovative energy-saving features of the five houses include: radiant floor heating, soy-based wall insulation, water retention basins for capturing rain water run-off, passive solar designs, and cork flooring. The homes will be marketed through residential builder seminars, presentations, special displays at the sites, advertising, DVDs, magazines, open houses and Parade of Home showcases. For more information, visit: <http://www.michigan.gov/energyoffice>.



At left, five builders hold their checks to build and promote energy-efficient homes.

U.S. Dept. of Energy Requests Proposals from Industrial End-Users Seeking a Plant-Wide Assessment (PWA): A PWA is a comprehensive examination of plant energy efficiency leading to the identification of opportunities for energy use reductions in industrial facilities. Industrial plants in the following areas are of particular interest: Wood and lumber production and processing plants; flat glass manufacturing plants; underground mining facilities with processes in the areas of extraction, material handling, and material processing; and chemical plants that manufacture olefins either from natural gas or from petroleum, ammonia, sulfuric acid, methanol, and phosphates. Ten awards are anticipated with \$1 million expected to be available. For more information visit: <https://e-center.doe.gov/iips/faopor.nsf/UNID/040C7DB08E79271B85256FA80064B7C1?OpenDocument>. Be sure to refer to Sol# DE-PS36-05GO95009. Deadline is May 3, 2005

Solar Domestic Hot Water System Rebate Program Available: A rebate program will be open to Michigan residents, businesses, or institutions that install solar domestic hot water systems in Michigan. A total of \$415,000 will be available for rebates statewide through October 1, 2005. Rebates will be based on the square footage of collector size for flat plate collectors or linear feet of collector for evacuated tube collectors. Rebates may not exceed \$4,000 or 50 percent of project cost. For more detailed information and program applications, please call the toll free telephone number (866) 846-7349.

DLEG's Energy Office Participates in Smart Commute '05: DLEG's Energy Office is participating in Smart Commute '05, during the week of May 16-20, 2005. The event is organized by the Mid-Michigan Environmental Action Council (Mid-MEAC). People who live or work in the Capitol area are encouraged to explore biking, busing, carpooling, and walking as safe, healthy, cost-efficient, and environmentally-friendly ways of commuting to work. For more information about Smart Commute '05 web site at <http://www.mid-meac.org/smartcommute>.

Safeguarding Michigan's Environment

Michigan Strategic Fund Ends Landfill Subsidies: Governor Jennifer M. Granholm applauded a policy change by the Michigan Strategic Fund (MSF) that ends tax-free bonding assistance for the development of landfills and ensures the state isn't subsidizing the importation of out-of-state waste. The policy change, which the Governor requested earlier this year, will continue the use of Industrial Development Revenue Bonds (IDRB) for job creation efforts, and now puts greater focus on projects to safeguard Michigan's environment. IDRBs are issued to finance projects for manufacturers and certain nonprofit corporations, including manufacturing projects under \$10 million in total investment, recycling programs, and company-specific environmental facilities. Under the previous policy, landfills were eligible for financing. The Michigan Strategic Fund, administered by the Michigan Economic Development Corporation (MEDC), offers a variety of funding programs to spur business innovation and assist entrepreneurs developing innovative products or services. The MSF responds to the financing gaps in research and development, high-risk, pre-venture "seed capital" startups, venture capital, and "middle risk" financing that contains more risk than banks can fund. Rates and terms are negotiated with private funding entities.

There's a Hydrogen Highway in Michigan's Future: The State is joining with NextEnergy and the Big Three automakers to promote hydrogen-powered transportation by introducing a hydrogen-fueling corridor in southeast Michigan. NextEnergy is the state- and business-backed effort to pursue alternative energy development. Michigan's hydrogen-fueling corridor consists of four existing hydrogen technology research parks in Ann Arbor, Southfield, Milford, and Dearborn. Ford Motor plans to create a fifth refueling station near Detroit Metro Airport, and NextEnergy is building a research station in TechTown in Detroit. The Michigan refueling corridor is part of the federal \$1.2 billion initiative to make hydrogen fuel competitive for powering vehicles and generating energy.

Assisting Employers & Jobless Workers

UI Employer Filed Claims Program Expands: Another of the state's larger employers has joined the Unemployment Insurance Agency's (UIA) Employer Filed Claims program. American Axle & Manufacturing becomes the ninth employer to join the program. Other employers on board with EFC are Auto Alliance, DaimlerChrysler, Delphi, General Motors, Ford Motor, Martin Transportation System, Steelcase and Visteon. Through EFC these employers can file unemployment benefit claims for their employees during mass layoffs or plant shutdowns. The companies electronically transmit the claims information to UIA; eliminating thousands of separate claims their employees would be filing on their own. It also speeds the processing of other claims.

Fiscal Year 2005 Work First Incentive Awards Announced: Governor Jennifer M. Granholm and the Michigan Department of Labor & Economic Growth announced statewide Fiscal Year 2005 Work First Incentive Awards totaling \$2,825,573. Michigan Works! Agencies receive the Incentive Awards based on their performance serving and placing Work First participants during Fiscal Year 2004. The awards will be used to enhance services provided to Work First participants across the state. The goal of Work First is to assist Michigan's low-income citizens in obtaining employment or higher paying employment, therefore, reducing or eliminating the need for public assistance. Funding for Work First is provided by the State of Michigan and the U.S. Department of Health and Human Services and is administered by the Michigan Department of Labor & Economic Growth, Bureau of Workforce Programs. The Work First Incentive Awards are funded through the federal Temporary Assistance for Needy Families (TANF) program and the Reed Act, and state GF/GP monies. To view the table of grants visit: http://www.michigan.gov/cis/0,1607,7-154-10573_11472-113646--M_2005_3,00.html. An interactive map of the state's Michigan Works! regions and the counties included in each region, go to <http://www.michiganworks.org/page.cfm/14>.

WCA Grants Self-Insured Status to First Indian Tribe: The Workers' Compensation Agency (WCA) made history recently by approving, for the first time, self-insured status for a state Indian tribe. The WCA approved the Grand Traverse Band (GTB) of Ottawa and Chippewa Indians as a self-insured employer. The approval came after more than a year of negotiations. The state's gaming compact requires the tribes to provide their employees with workers' compensation and unemployment benefits comparable to those required by state law. Six of Michigan's 11 tribes have opted to provide their own workers' compensation benefit structure, while five have elected to voluntarily participate in the state system. Four have purchased insurance policies to cover their liability, while the GTB of Ottawa and Chippewa Indians became self-insured.

Czyrka Reappointed by Gov. Granholm: Governor Jennifer M. Granholm has reappointed Bruno Czyrka, deputy director of the Workers' Compensation Agency, to the Data Collection Agency (DCA) Governing Board. He will represent the executive branch of state government for a term expiring December 31, 2005. Bruno has served on the board since 1993. His reappointment is subject to the advice and consent of the Senate. The eight-member board governs the DCA. The state Insurance Commissioner sits on the board along with representatives from insurance carriers, the general public, employers, insurance agents and the executive branch. The DCA publishes workers' compensation pure premium rates annually. Insurance carriers writing workers' compensation use the rates as a yardstick to compare with their own rate structure. The DCA Board meets once a year to review and approve the pure premium rates proposed for the coming year.



Bruno Czyrka

SAWW Increases for 2005; Impacts Workers' and Unemployment Comp Programs: Michigan's state average weekly wage (SAWW) rose in 2004, climbing by \$20.63 to \$765.12. The increase affects the state's unemployment insurance (UI) and workers' compensation programs. For the UI program, the higher SAWW boosted the 2005 alternate earnings qualifier (AEQ) to \$15,302.40, an increase of \$412.60 from its 2004 level. The AEQ is used if workers cannot qualify for benefits using normal earnings requirements. The AEQ is 20 times the SAWW. The SAWW is also used to set benefit rates for workers' compensation. In 2005, the maximum weekly benefit rate is \$689 (90% of SAWW), up from \$671 in 2004. The minimum rate for death is \$382.56 (50% of SAWW), while for specific loss and totally- and permanently-disabled, the minimum is \$191.28 (25% of SAWW).

Duncil Named to MES Board of Review: Governor Granholm has appointed Charlotte L. Duncil to the Michigan Employment Security Board of Review. Ms. Duncil, formerly an unemployment insurance analyst for UIA, served as vice president of the Service Employees International Union Local 517M Human Resource Support Division from 2002 to 2004. Ms. Duncil will represent employee interests on the board for a term expiring December 31, 2005. She succeeds Julie Petrik, who resigned.

Rapid Response Section Assists Employers and Displaced Workers: The Rapid Response Section assists employers and displaced workers. The Workforce Transition Section (WTS) responded to 19 notices of planned plant closures or mass layoffs from Feb. 11-March 10. Contact was made with employers and union representatives in response to receipt of a WARN notice, letter, phone call, newspaper article, or other means of notification. A brief overview of available dislocated worker services was given, and depending on the number of jobs impacted, a formal on-site Rapid Response meeting was scheduled or arrangements were made for the local Michigan Works! Agency to meet with the affected employees to provide information on available services.

- " Conducted six Rapid Response meetings with employers (and union representatives, where employees were represented by a collective bargaining agreement).
- " Responded to 74 phone calls, and 28 e-mails and one fax from individuals, company/union representatives, and service providers who requested information or clarification of issues related to the WARN Act and dislocated worker services.
- " Participated in 10 Joint Adjustment Committee (JAC) meetings. Joint Adjustment Committees are established to provide a more proactive, participatory response to large plant closings or mass layoffs.
- " Participated in four worker orientation meetings for workers impacted by a facility closure or mass layoff. These meetings provide information on unemployment insurance and dislocated worker services.

Assisting Michiganians with Disabilities

Wyeth Receives Award for Exemplary Service: Duncan Wyeth, director of the Michigan Commission on Disability Concerns will be this year's award recipient for exemplary service in State Government. The award comes from the Michigan Capital Area Chapter of the American Society for Public Administration and will be presented on May 3, 2005



Duncan Wyeth

MRS Assists 832 Michiganians with Disabilities Into Jobs: Michigan Rehabilitation Services (MRS) counselors across the state assisted 832 Michiganians with disabilities into jobs during March, 2005. MRS offers career guidance, job training and placement services, and medical help, among other services, to enable persons with disabilities to re-enter the workforce or become employed for the first time. Also during March, MRS business services representatives provided disability-related services to 219 Michigan employers. MRS services to employers include referral of qualified workers, help with retaining at-risk workers, saving employers on-the-job training dollars, and providing information about tax credits and deductions.

Developing a 21st Century Workforce

"Breaking Traditions" One of Top Three Programs Recognized Nationally: The "Breaking Traditions" student award program developed by DLEG's Office of Career and Technical Preparation is one of the top three programs recognized nationally by the 2004 "Programs That Work: Preparing Students for Nontraditional Careers" Award. "Breaking Traditions" received an honorable mention. The award was created by the Association for Career and Technical Education (ACTE), the National Association of State Directors of Career and Technical Education Consortium (NASDCTEC), the National Alliance for Partnerships in Equity (NAPE), and the National Women's Law Center (NWLC). The award recognizes local and/or state educational agencies, programs, and/or schools that have improved students' access to, and completion of, career and technical education programs that are nontraditional for their gender. The "Breaking Traditions" program will be recognized at a briefing for the U.S. Congress and the media on Capitol Hill this spring and at upcoming conferences of ACTE, NASDCTEC and NAPE. The 2005 Michigan Breaking Traditions Awards presentation will be May 17, at The Forum, Michigan Library and Historical Center in Lansing. Since "Breaking Traditions" inception in 2002, 69 students from around the state have received awards for outstanding achievement in pursuing nontraditional careers for their gender and inspiring others to follow.

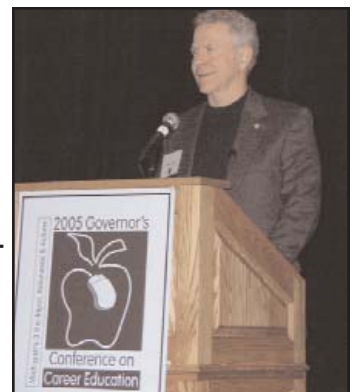
Governor Granholm Launches New Internship Website Benefitting Students, Businesses, Educators & State of Michigan:

Governor Jennifer M. Granholm announced on March 10th the launch of a new website to help students find internships in the State of Michigan. Internships help students find the skills they need to land a full-time job and give businesses a cost-effective way of finding talented workers. The new website, MiInternship, can be found at <http://www.michigan.gov/miintern>. MiInternship, powered by the Michigan Talent Bank, offers valuable tips for students, employers and educators. The site features a search engine that allows students to review more than 400 internship opportunities by employer/organization name or location. Students will also find an Internship Tool Kit with information on getting the important first job, resume and cover letter writing, and job interviewing. "We encourage businesses of all sizes to visit the website to add their information to the internship and job database. Employers will also find valuable tips on recruiting, choosing and supervising an intern," said David C. Hollister, director of the Michigan Department of Labor & Economic Growth. "We're one of only a few states to offer this type of innovative website and we expect it to be a big hit with Michigan students, businesses, and educators as more people learn about it." Crain's Detroit Business, which partnered with DLEG in its Hire Education report, says an internship is key to launching a career and even trumps computer skills, course work and GPA. Crain's reported that Southfield-based American Society of Employers showed 48 percent of companies placed internship and work experience above all else, followed by related course work, computer skills, the type of academic degree and leadership experience. Dead last in the rankings was grade-point average. The website has been receiving rave reviews with a Macomb Community College counselor writing: "Wanted to let you know what a useful site this is! As a college career counselor, it is a vital resource for linking students to careers! I will use it often! Thanks for this great tool!"

2005 Governors' Conference on Career Education Conference Ensures Students Are Prepared for Jobs Today - and

Tomorrow: Approximately 700 educators, employers, students and parents participated in the 2005 Governor's Conference on Career Education, at the Detroit Marriott Renaissance Center. The theme of the conference was "Michigan's 3 Rs: Rigor, Relevance & Reform." Conference sessions provided participants with new strategies and tools to increase academic rigor in coursework and demonstrated the relevance of aligning academics to authentic work experience. "As Michigan diversifies its economic base, the fastest-growing occupations will require the technical skills taught in career and technical education programs," said DLEG Director David C. Hollister, one of the featured speakers. Other speakers included Dr. Jeremy Hughes, acting superintendent of public instruction, Michigan Department of Education; Ryan Donlan, superintendent, Bay-Arenac Community High School; and Homer Hickam, best-selling author of *We Are Not Afraid*; *The Keeper's Son*; *Rocket Boys*/*October Sky*. A highlight of the conference was the presentation of the Governor's Excellence in Practice Award to three honorees. The award, now in its fifth year, recognizes best practices, achievements, and programs in preparing students for careers. The 2005 recipients were: **Computer Technology Management Program, Tuscola Technology Center, Tuscola Intermediate School District. Key partner: Thumb Regional II Educational Advisory Group; Health Technology Medical Science Program, Bay-Arenac Intermediate School District Career Center. Key partners: Bay Regional Medical Center; Center for Rehabilitation at Bay Regional Medical Center - West Campus; and Bangor Medical Center; Winning Futures - Mentoring Partnerships. Partners: Warren Consolidated School District, Macomb Intermediate School District.**

*The 2005 Governors' Conference on Career Education featured Homer Hickam, best-selling author of *Rocket Boys*, which became the movie *Ocktober Sky*.*



Bureau of Career Education Programs Co-Sponsors FIRST Robotics Competition for Fifth Straight Year; Builds Strong National Showing; Provides Internship Opportunities: The DLEG Bureau of Career Education's Office of Career and Technical Preparation (OCTP) is working to develop the minds and spark the imaginations of Michigan's students, our future high-tech workforce, by co-sponsoring the FIRST Robotics competition in Michigan for the fifth straight year. The FIRST Robotics Competition is a national engineering contest founded by inventor Dean Kamen in 1989 to inspire and motivate young people to pursue opportunities in science, technology and engineering. FIRST is the acronym of "For Inspiration and Recognition of Science and Technology." DLEG co-sponsored Michigan's three FIRST Robotics regional competitions: the Great Lakes Regional, March 11-12, Eastern Michigan Convocation Center; Detroit Regional, March 18-19, Wayne State University Gymnasium; and the West Michigan Regional, April 2, Grand Valley State University, Allendale Campus. Michigan is one of the top two states in the nation for number of teams with 98 teams and about 3,500 individuals participating in regional competitions (second only to California with 99 teams). A total of 31 regional competitions will be held across the United States and Canada. A Michigan FIRST Robotics team has won nationally for the last three consecutive years by being a part of the three-team winning alliance. High school students across Michigan have teamed up with adult engineers and mentors from schools, businesses and universities to design, build, and test robots that will perform tasks in head-to-head competition - all within six weeks. Students get a hands-on, inside look at engineering and the technical professions and compete in a spirited tournament complete with referees, cheerleaders and time clocks. It's been described as the "hardest fun ever" for students. The FIRST experience provides youth with positive results - like students' improved academic performance through hands-on education; increased class attendance, improved graduation statistics and internship opportunities for students at both sponsoring and non-sponsoring companies. The goal is to see a FIRST Robotics team established in every Michigan high school. FIRST students are also eligible for more than \$4.9 million in college scholarships nationwide. To learn more go to <http://www.usfirst.org>.



**Win Irwin, CEO, Irwin Seating Co.,
Grand Rapids.**

Irwin Seating CEO Addresses Technical Institute Graduates: A total of 105 students from throughout the state recently graduated from the Michigan Career & Technical Institute (MCTI). Win Irwin, chief executive officer of Irwin Seating Co., Grand Rapids, delivered the commencement address. He is also chair of the Kent-Allegan Workforce Development Board and was recently named by Gov. Jennifer M. Granholm to the Council for Labor and Economic Growth (CLEG). All twelve graduates of the school's Cabinetmaking/Millwork Department had employment offers in their field by the time of graduation. Remarking on this distinction, Instructor Jim Wellever said, "We have a very involved Business Advisory Committee. Maintaining relationships with employers in the industry and keeping our training relevant provides a real advantage to our students." Operated by Michigan Rehabilitation Services, MCTI is located in Barry County about 20 miles northeast of Kalamazoo. The school offers training in 13 career areas for adults with disabilities.



Members of the MCTI Cabinetmaking/Millwork Department pose for a photo on graduation day. Front row, l. to r.: Instructor Adam Reynolds, Jason Rybinski, Henry McLaughlin, Eric Wilds and Instructor Jim Wellever. Back row, l. to r.: Curtis Cannon, Jr., Scott Gidner, Justin Rathbun and Ryan Shields. Not pictured: Dan Morley, Frank Papaik, Graham Ruchalsa, Scott Billings and David Gales.



Traverse Bay Area Students Get a Dose of Reality: Michigan Rehabilitation Services (MRS) co-sponsored a live game of "Life" when 160 special education students from schools in the five-county Traverse Bay area participated in the "Reality Store." The experience provided students with a glimpse of how much things cost and how quickly they add up. Before the Reality Store opened, the student participants were assigned a gross income and marital, family and benefit status. The first lesson they learned was how to calculate their net monthly income from a gross salary. With this information, they visited the store to create a monthly budget that included mortgage, groceries, and the other expenses of a household. MRS Counselor Karen Clark said, "It's a heavy dose of reality for students trying to plan their futures." The Reality Store was "staffed" by area business representatives or agency volunteers who "sold" their services to the students. For example, realtors sold houses, car dealers sold vehicles, and insurance sales people offered coverage. While in the store, the students had to arrange for day care services, pay municipal taxes and order telephone and electric service. Thirty community volunteers donated their time and talent over three consecutive days to run the store. At

the end of each day, the students were given an opportunity to process and express what they gained through the experience. They also enjoyed a well-deserved pizza luncheon and a chance to ponder the cost of living. Student evaluations confirmed the value of the activity. Comments included:

- "It helps you understand when you move out and have a family that nothing's easy or free."
- "It gives you a huge reality check."
- "I will think about the career I pick."
- "I didn't expect to be single with two children."
- "I learned having kids is a lot of money."
- "You need to save money because accidents happen."
- "Not everything goes as planned."

Co-sponsoring the event with MRS were the Elk Rapids and Traverse City Business and Professional Women's (BPW) clubs, the Traverse Bay Area Intermediate School District, and Northern Michigan Alliance for Independent Living. For more information about the Reality Store, contact the BPW club in your area or link to <http://www.bpw-michigan.org>.

Office of Postsecondary Services' Gear UP Michigan! Helps Students Reach the College Goal: Gear Up Michigan! is working to increase the number of college graduates and help students reach the college goal by distributing a new series of EduGuides this spring to all families with students who will start middle or high school in the fall of 2005. The EduGuide series is part of partnership-led collaboration called College Goal that is aimed at helping more families take early steps to prepare for college academically and financially. The Bureau of Career Education's Office of Postsecondary Services state GEAR UP Michigan! program funded statewide distribution of three different editions of the guides for all incoming elementary, middle and high schools students. The elementary edition known as the Learning Guide, was mailed last fall after the initiative was unveiled at Governor Granholm's Education Summit in September. In all, more than 470,000 guides will be distributed to all of Michigan's 3,241 public and private schools, including all of Michigan's 15 public universities. The guides will help families boost achievement by providing hands-on insider advice from veteran parents, teachers, and experts about how to make the most of each new phase of school life. Middle and high school editions include information on college savings tools, college prep curriculum recommended by the Presidents Council-State Universities of Michigan, plus information about how to participate in the Michigan Business Leaders for Education Excellence Scholars program. The guides are published by Partnership for Learning, a Michigan-based, non-profit organization which provides training and services for schools and communities. In addition to DLEG, contributing partners include the Michigan Department of Education, Presidents Council - State Universities of Michigan, the Michigan Scholars program as well as other associations and agencies. GEAR UP Michigan! also co-sponsored the College Goal Sunday program for the last two years. This initiative, held the Sunday following Super Bowl Sunday, has assisted hundreds of Michigan students and their families in applying for financial aid for college. Volunteers from the Michigan Student Financial Aid Association literally sat down with parents and students and completed financial aid forms. This national initiative is sponsored by the Lumina Foundation. GEAR UP, which stands for Gaining Early Awareness and Readiness for Undergraduate Programs, strives to significantly increase the number of low-income students who are prepared to enter and succeed in postsecondary education. Now in its fourth year, GEAR UP Michigan!, part of a U.S. Department of Education national project, is helping to serve more than 14,000 students in several school districts across Michigan. GEAR UP funding also provides scholarship dollars, which are being administered by the Michigan Department of Treasury.



Serving Michigan's Spanish-Speaking Population

Michigan Commission on Spanish-Speaking Affairs Urges U.S. Senators to oppose REAL ID Act: The Michigan Commission on Spanish-Speaking Affairs (COSSA) is urging Michigan's U.S. Senators to oppose the REAL ID Act (H.R. 418), which it believes would negatively impact Hispanics and other minorities. "Many in the Michigan Hispanic community have expressed their concern to our commissioners about the potential consequences this legislation could have at the local level," COSSA Chairperson José Reyna said. "We felt very strongly that we couldn't sit silently while legislators debated our future." COSSA is urging lawmakers to oppose the legislation, which it feels not only misses the mark in protecting national security, but could result in severe ramifications, particularly to minority populations. In a letter to U.S. Senators Carl Levin and Debbie Stabenow, Reyna wrote: "Although the members of the Commission are appreciative and support the efforts to improve homeland security and protect our nation from terrorist threats and attacks, the proposed legislation does not effectively advance those goals. On the contrary, members of COSSA believe that it will result in a series of negative consequences." The commission believes the legislation would:

- Jeopardize national security by forcing immigrants further underground.
- Overturn the strong but flexible federal driver's license standards that just passed in the Intelligence Reform Act. It imposes rigid and burdensome new requirements on all 50 states.
- Result in negative and disparate treatment for members of minority, particularly the Hispanic, communities.

"Current law already bars terrorists and others who present a security risk from getting asylum in the U.S. This bill is very broad and would also block many refugees who are fleeing religious or political persecution as well," Reyna added. "While we must protect our country from terrorists, it shouldn't be at the expense of genuine refugees, immigrants and minority populations in the U.S."

The bill was introduced by Representative James Sensenbrenner (R-WI) on Jan. 26, passed 261-161 in the U.S. House, and referred to the Senate Committee on the Judiciary where it currently remains. The bill would establish and rapidly implement regulations for State driver's license and identification document security standards. Proponents say the legislation is aimed at preventing terrorists from abusing the asylum laws of the United States, to unify terrorism-related grounds for inadmissibility and removal, and to ensure expeditious construction of the San Diego border fence. For more information about COSSA, visit <http://www.michigan.gov/cossa>.

Welcoming New DLEG Staff

DLEG Taps Former Auto Executive to Lead Its Economic and Strategic Information Efforts: Richard H. Waclawek has been tapped to lead the department's newly reorganized Bureau of Labor Market Information and Strategic Initiatives effective April 11th. The Bureau of Labor Market Information & Strategic Initiatives provides valuable data including occupational wages, job outlooks, industry forecasts and employment statistics. Waclawek brings extensive years of private sector strategic planning and global economic and corporate experience to his new post. Most recently he served as Global Director of Corporate Strategy and Business Development for Visteon Corporation in Dearborn, Michigan. Waclawek has both his finance and marketing MBA and his undergraduate engineering degrees from the University of Michigan. The Bureau of Labor Market Information and Strategic Initiatives combined functions and responsibilities previously scattered across four different areas. Its mission is to provide high quality labor market information and research to support excellence in Michigan's workforce, economic, and career development initiatives and to enhance skill development and business decision making. For more information, visit <http://www.michlmi.org/>.



**Richard
Waclawek**

Plummer Named Director of the State Office of Administrative Hearings & Rules: Peter Plummer joined DLEG on April 19 as the Executive Director of the department's newest agency -- the State Office of Administrative Hearings and Rules (SOAHR). Plummer comes to DLEG from the Michigan Attorney General's office where he served as the Acting Assistant in Charge of the Child Support Division. Under his leadership, SOAHR will be leading state efforts to continually evaluate policies and procedures for conducting administrative hearings and for the processing and review of administrative rules with the goal of developing best practices in these areas.



Pamela Yager

Yager Joins Director's Office: Pam Yager was recently appointed a program specialist in the Director's Office and will serve as executive assistant to Deputy Director Bob Swanson. Yager joins the department from the Senate Democratic Office, where she worked on DLEG programs and the budget. She brings to the job an understanding of department programs, the Legislature, and the budget process.